State of Michigan Michigan Department of Agriculture Commission of Agriculture

Ottawa State Office Building, 4th Floor Dean Pridgeon Conference Room Meeting Minutes

November 10, 1998

PRESENT:

Douglas E. Darling, Chairperson, Commission of Agriculture

Deanna Stamp, Vice Chairperson, Commission of Agriculture

Jordan B. Tatter, Secretary, Commission of Agriculture

Shirley A. Skogman, Commission of Agriculture

James E. Maitland, Commission of Agriculture

Dan Wyant, Director, Michigan Department of Agriculture

OTHERS PRESENT (all or part of the meeting):

Ron Zellar, Assistant Attorney General

Brad Deacon, Governor Engler's Office

Michigan Department of Agriculture Staff

Albert Almy, Michigan Farm Bureau

Bob Baldwin, Michigan Aquaculture Association

Chuck Cornillie, Board of Directors, Michigan Agricultural SA

Pat Driscoll, Michigan Farm Radio

Cindy Dutcher, President, Michigan Agricultural Stewardship Association

Dr. Larry Dyer, Director, Michigan Agricultural Stewardship Association

Tom Foltz, Treasurer, Michigan Agricultural Stewardship Association

Kathleen Hawkins, Michigan Beef and Veal Industry Commissions

David Haywood, Attorney, Lansing, Michigan

Mike Kelly, Michigan Association of Fairs and Exhibitions

Russ LaRowe, Executive Director, Michigan Agricultural Stewardship Association

Paul Luttenbacher, Vice President, Michigan Agricultural Stewardship Association

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Greg Mund, Director, Michigan Agricultural Stewardship Association

Ron Nelson, Michigan Farm Bureau

Trisha Ortiz, Michigan Grocers Association

Dean Peterson, Farm Progress Companies, St. Johns, Michigan

Cheryl Summer, Director, Michigan Agricultural Stewardship Association

CALL TO ORDER AND ROLL CALL

Chairman Darling called the meeting to order at 9:03 a.m., November 10, 1998. Secretary Tatter called the roll with Director Wyant and all Commissioners present.

APPROVAL OF AGENDA:

MOTION: COMMISSIONER SKOGMAN MOVED TO APPROVE THE AGENDA AS PRESENTED. SECONDED. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF MINUTES:

MOTION: COMMISSIONER SKOGMAN MOVED TO APPROVE THE SEPTEMBER 9, 1998, MEETING MINUTES AS PRESENTED. SECONDED. MOTION CARRIED UNANIMOUSLY.

NEXT MEETING:

The next Commission of Agriculture meeting will be held in conjunction with the Michigan Farm Bureau's Annual Meeting on Wednesday, December 9, 1998, and Thursday, December 10, 1998. The meeting will be held in Club Room A, Trillium Area, Top of the Tower, at the Grand Traverse Resort, 100 Grand Traverse Village Boulevard, Acme, Michigan.

APPROVAL OF COMMISSIONERS' PER DIEM AND TRAVEL:

MOTION: COMMISSIONER STAMP MOVED TO APPROVE COMMISSIONERS' PER DIEM AND TRAVEL AS FOLLOWS:

- Commissioner Darling, Washtenaw County Farm Bureau Annual Meeting, September 16, 1998 (Mileage Only)
- Commissioner Darling, Oakland County Farm Bureau Annual Meeting, September 17, 1998 (Mileage Only)
- Commissioner Darling, Meeting with U. S. Congressman Dave Camp and Bob Smith, Chair of U.S. Agriculture Committee, St. Johns, September 30, 1998
- Commissioner Skogman, Menominee County Farm Bureau Annual Meeting, October 13, 1998
- Commissioner Skogman, Delta County Farm Bureau Annual Meeting, October 26, 1998
- Commissioner Darling, MDA/MSU Groundwater Stewardship Meeting, November 5, 1998

SECONDED. MOTION CARRIED UNANIMOUSLY.

DIRECTOR'S OUT OF STATE TRAVEL:

MOTION: COMMISSIONER TATTER MOVED TO APPROVE THE DIRECTOR'S TRAVEL NOVEMBER 16-17, 1998, NATIONAL ASSOCIATION OF STATE DEPARTMENTS OF AGRICULTURE FOOD SAFETY CONFERENCE IN WASHINGTON, D.C., AND NOVEMBER 20, 1998, MEETING WITH THE

ENVIRONMENTAL PROTECTION AGENCY IN CHICAGO, ILLINOIS. SECONDED. MOTION CARRIED UNANIMOUSLY.

COMMISSIONERS' COMMENTS

Commissioner James Maitland reported that there was a good harvest in northern Michigan and it was completed in record time. He participated in the Falmouth and Antrim County Farm Bureau Annual Meetings, as well as the Michigan Turfgrass Environmental Stewardship Program held in Plymouth, Michigan. Commissioner Maitland said he was very impressed with the program and the informative materials.

Commissioner Shirley Skogman reported that the potato harvest on her farm has been completed and it was a good crop. She said that the crop was of excellent quantity; but the quality could have been better on the Burbanks. Commissioner Skogman said that there is a lot of concern and uncertainty in the potato industry about price and about the seed market. She said the weather has been warm in the U.P. causing concern about potato storage. She added that there continues to be a problem with labor shortage in the Upper Peninsula, not only in agriculture, but in other areas as well.

Commissioner Skogman attended three Farm Bureau annual meetings. She said DNR Area Biologist Jim Hamill was the speaker at the Menominee County Farm Bureau Annual Meeting and concern was expressed about wolves, bear and deer. Commissioner Skogman said that at all of the meetings she attended there was concern expressed about the lack of crop damage permits issued by the DNR this summer. There also was a resolution passed at two of the county Farm Bureau meetings expressing the need for a full-time U.P. Crop Soil Scientist. Commissioner Skogman stated that concern continues about the bovine tuberculosis situation in Michigan and especially about the requirement that cattle from the U.P. need to be vaccinated. There is also concern about the State's requirement for a different ear tagging system than the one presently used by producers. Producers feel the present system works much better than the one proposed by the State. Director Wyant responded that he would look into the matter.

Commissioner Skogman also reported that she participated in a tour hosted by the Dickinson County Soil Conservation District; that by the reports she has received it appears this year's Upper Peninsula State Fair was a great success; that a feasibility study is underway for a possible potato processing plant to be located at the K.I. Sawyer facility; that the Michigan Seed Potato Association held its annual meeting in the U.P.; and that a U.P. Ag Expo will be held in Escanaba on December 11, 1998. She invited the Commissioners to attend if their schedules would permit.

Commissioner Deanna Stamp reported that at the present time dairy prices are at a record high. She said the high prices are driven primarily by production declines in the major milk producing areas of the country and because milk is no longer sold as a whole commodity. She added that the national butter fat shortage also has driven prices higher. Commissioner Stamp stated that it has been reported that Dairy Farmers of America has offered substantial volume premiums to Michigan's large producers.

Commissioner Stamp stated that dairy producers were surprised that \$200 million was added to the federal budget package to be distributed to dairy farmers. She believes that this idea originated out of Wisconsin and is intended to placate the farmers in that region over the continuation of the Northeast Dairy Compact. She also believes it was due to the delay of the federal order reform that was to take place by April 1999, but has been held back until October. She said this is another piece of the puzzle that is making the dairy situation interesting and uncertain at this time. Milk prices should hold strong at least through the spring of next year.

Commissioner Stamp reported that overall the Thumb area harvest was better than average. She added, however, that it was sporadic depending on the amount of rain that a particular area received. Yields were record high where there was rain and average or below in the areas where rain was limited. Sugar beets were not quite as good as normal due to disease problems.

She said she received comments from commodity groups about the Commission not holding a meeting in October, causing a delay in the groups' budgeting process.

Commissioner Jordan Tatter reported that ideal harvest conditions wrapped up southwest Michigan's

horticultural crops. The grape crop was truly a vintage harvest. Corn and soybeans are being combined at the most rapid pace in his memory. Commissioner Tatter reported that he took part in the September Michigan elk hunt and the Michigan Department of Natural Resources is to be commended for its management of this spectacular game animal and its direction and control of the elk hunt.

Commissioner Tatter participated in a groundbreaking ceremony with MSU President Peter McPherson and others for the new Berrien County MSU Extension office being built at the Southwest Michigan Research and Extension Center of MSU.

Commissioner Tatter also:

- --Met with Barb Hensinger in Kalamazoo to review MDA's internal and external customer survey results;
- --Represented the Director at Teichman's Tree-Mendus Fruit Farm for an event that featured Orion Samuelson of National Farm Radio and television broadcasting fame;
- --Hosted a golfing event for Dr. Ian Gray, Director of the MSU Experiment Station and staff;
- --Attended the National Frozen Food Convention in Orlando, Florida;
- --Represented the Director at the Berrien County Farm Bureau Annual Dinner Meeting;
- --Attended a breakfast session with Congressman Fred Upton and presented concerns regarding imported apple juice concentrate. Congressman Upton requested that MDA send him some background information on the situation. Commissioner Tatter relayed the request to Dale Sherwin.
- --Participated in the Community Forum on Environmental Issues for Berrien County conducted by the Berrien Community Foundation and funded by the Malcolm S. Ross Sustainable Development Endowment. Rural land use planning was a key focus and associated issues were identified;
- --Took part in the Michigan Frozen Food Packers fall meeting held at the Southwest Michigan Research and Extension Center of MSU. This is an annual October event where staff reviews research and extension efforts conducted during the growing season just completed;
- --Attended the advisory council meeting to the MSU Research and Extension Center;
- --Attended the Michigan Harvest Gathering Celebration reception hosted by the Food Bank Council of Michigan; and
- --Attended the Michigan Agri-Business Association reception and dinner.

Commissioner Tatter said that during October four Rural Michigan Transportation forums were conducted around the state and numerous state agencies and allied groups were sponsors. He was concerned that MDA was seemingly conspicuous by its absence on the printed sponsor list. He asked if MDA had input or staff attendance at these forums. He also said that six forums on the USDA-EPA draft of a Unified National Strategy for Animal Feeding Operations are being held around the state. He asked if MDA is involved in this series of educational meetings.

Commissioner Tatter also referred to the *Detroit Free Press* series on food store sanitation inspections, MDA's inspection rating system and the Michigan Uniform Food Code revisions. He requested that the Commission receive monthly updates on this issue.

He also referred to an editorial he distributed from the *Commemorative Bucks of Michigan*. He asked about the status of farmer cooperation in the northeast tuberculosis area in allowing hunter access. He also asked if DNR field staff and/or the Michigan State Police have a directive to enforce MDA's feeding ban in the tuberculosis area and if these agencies are assured of multi-department backing of the enforcement actions.

Director Wyant responded that MDA's Rural Development Council of Michigan sponsored the forums that were conducted. He also responded that the six forums on the USDA-EPA draft of a Unified National Strategy for

Animal Feeding Operations are being conducted in full partnership with USDA, the National Resource Conservation Service (NRCS) and Michigan Farm Bureau. The NRCS is leading the discussions because the strategy is a joint USDA-EPA plan. Dr. Kurt Thelen, director of the Environmental Stewardship Division, is MDA's representative.

The Director also assured the Commission that monthly updates will be given on the food safety and inspection process. In fact, Kathy Fedder, director of the Food and Dairy Division, will be addressing the Commission today during the Director's Report.

Director Wyant said that K. Cool, Director of the Michigan Department of Natural Resources, stated as recently as yesterday, that the DNR is enforcing the feeding ban. Director Cool also stated that DNR field staff are receiving full support from the Lansing DNR staff at the highest level.

Commissioner Douglas Darling reported that most of the crops in southeast Michigan are harvested. The corn and bean crops were record yields in most cases. The economic environment is still an issue and he appreciated the opportunity to meet with the Michigan Agri-Business Association. He attended four county Michigan Farm Bureau annual meetings this fall where discussions included the poultry situation at the Michigan State Fair, groundwater stewardship issues, the bovine tuberculosis situation and land use. He also attended a MDA Intercounty Drain Hearing and participated in a public meeting with Congressman Dave Camp and U.S. Agriculture Committee Chairman Bob Smith in St. Johns. The public meetings held by Congressman Camp and Chairman Smith were very informative and the primary topic of discussion was the ag economy. Commissioner Darling complimented Director Wyant for his part in that discussion.

Commissioner Darling also attended the MDA/MSU Groundwater Stewardship Meeting held in Grayling, Michigan, and he participated in a meeting with Secretary of Agriculture Dan Glickman and Congressman Dingell in Monroe County. This was an informal round table discussion with about 20 producers from Monroe County in attendance. The number-one issue discussed again was the ag economy. There was also discussion about the Food Quality Protection Act. Secretary Glickman stated that the USDA is an equal partner with the EPA in the review process. Commissioner Darling believes, however, that USDA may have become involved too late in the process to be on an "equal" level with EPA. There was a lot of discussion about fast track legislation and he feels Michigan needs to be part of future negotiations. They also talked about crop revenue insurance and the ag labor shortages.

Commissioner Darling talked briefly about the purchase of development rights issue and the ballot proposal in Washtenaw County defeated by the voters.

LEGISLATIVE REPORT – Vicki Pontz-Teachout

Vicki Pontz-Teachout, Legislative Liaison, distributed a list of current bills that may be addressed during the lame duck session. She reported the Drain Code legislation (HB 4337) may receive action on the House floor.

Ms. Pontz-Teachout reported the status of the following bills:

- --SB 485 (Garbage to Swine) was ordered enrolled.
- --SB 677 (Transportation of Hazardous Materials) is now Public Act 337.
- --SB 1025 (Right to Process) is now PA 381.
- --SB 1173 (Grain Dealers Act) was ordered enrolled.
- --SB 1282 (Farm Indemnification) is on the House floor.

She also distributed copies of the recent November election results. She stated that MDA is working on assembling packets of information about MDA that will be given to the new legislators. Director Wyant and Ms. Pontz-Teachout will personally visit each new legislator. It is also the department's intent to invite the new legislators to a one-day orientation session. This would provide the new legislators and their staff an opportunity to talk with division directors and learn about MDA programs. She added that once the committee

assignments have been made, MDA would work with industry to organize some farm tours.

<u>APPROVAL OF "GROWN IN MICHIGAN" GRANTS – Karen Wenk, Marketing Section, Marketing and</u> Communications Division

Karen Wenk, Marketing Section, Marketing and Communications Division, reviewed the "Grown in Michigan Matching Grant Recommendations for FY99." The committee is recommending that five of the proposals be fully funded and seven of the proposals receive partial funding.

Commissioner Tatter referred to page 3 of the handout and asked about the lapsed funds and whether or not these funds can be carried over. Ms. Wenk explained that lapsed funds are not allowed to be kept or carried over. She said that the group in question was contacted earlier in the year about its use of the money and whether or not amendments would need to be made. In this particular case, the group had lapsed about \$11,000 and, therefore, the committee requested that it take a serious look at what they were proposing for the upcoming year. The committee also spoke with some of the groups involved in the grant and found that they were not supportive of one of the major new components of this year's grant. Therefore, all of the funds requested were not likely to be used.

Commissioner Tatter also commented that he is aware of only one company in Michigan that makes frozen fruit filling and toppings. He asked if MDA, by funding that request, would be promoting one particular brand or a concept. Ms. Wenk responded that to her knowledge there is only one company that sells this line of product in grocery stores. She said the line would include cherry, apple, blueberry and peach pie fillings. The committee felt that because grocery store chains do tend to buy the entire line and not a particular product, this grant would be a better representation of four commodities.

Commissioner Tatter said that he is concerned about the perception that MDA is promoting one particular brand. Ms. Wenk responded that MDA would take a careful look at what each of the commodity groups propose each year.

Commissioner Darling asked if MDA is promoting a particular brand of Michigan cherries, blueberries, etc. Ms. Wenk responded that she would look at the original proposal and report back to the Commission. She added that MDA is supporting the art development for the coupon, postage, travel expenses and part of the insertion fee for the coupon to be placed into the newspapers.

Commissioner Tatter added that it would be beneficial if the coupon contained the word "Michigan".

Director Wyant agreed with Commissioner Tatter that MDA should address the concept issue. He said this should be discussed with the Michigan Cherry Committee.

Commissioner Maitland added that since this is a new and unique product, and supported by the Michigan Cherry Committee, he does not see this as being a future problem.

MOTION: COMMISSIONER TATTER MOVED TO APPROVE THE 1999 "GROWN IN MICHIGAN" GRANTS AS PRESENTED. SECONDED. MOTION CARRIED UNANIMOUSLY.

UPDATE ON THE MICHIGAN STATE FAIR: Barbara Hensinger, Michigan State Fair Liaison

Director Wyant informed the Commission that Barbara Hensinger has been named the division director for the new MDA Fairs and Exhibitions Division. The division will encompass the Fairs and Racing Section, the Upper Peninsula State Fair and the Michigan State Fair.

Ms. Hensinger reported on the 1998 Michigan State Fair. She said that MDA staff was very involved in all aspects of the fair. MDA Ambassadors walked around the fairgrounds and talked with fair patrons to find out what they liked and disliked about the fair. Overall, people felt the fair was clean, secure and they especially enjoyed the pocket park, giant stove and Miracle of Life tent. The paid attendance was over 370,000, with an estimated 450,000 people actually visiting the fair. Wade Rides reported its best year ever.

Ms. Hensinger said that for the year revenues did not meet expenditures. Therefore, the department is

requesting a supplemental appropriation. She added that there is concern by the MDA audit staff and Auditor General staff about the current financial practices in place at the fair. She said that there are some money management practices that have been identified and need to be corrected. MDA staff is working closely with the fair staff to correct these problems.

She also reported on some of the problems experienced in the livestock arena and the poultry barn. There were clinical signs of disease in the poultry barn, but after additional tissue cultures were taken, the suspected virus could not be confirmed. The problem may have originated from vaccinated birds coming in contact with non-vaccinated birds. Ms. Hensinger also reported on a problem in the livestock auction. She said that the Grand Champion hog is a boar instead of a barrow. The livestock committee will be looking at the issue and making a recommendation to the State Fair Manager and Director.

Ms. Hensinger informed the Commission that the department is seeking Commission approval to promulgate rules. She explained that under PA 361 of 1978, the Michigan Expositions and Fairgrounds Act, the department can promulgate rules for the purpose of governing the conduct of the annual state fair and the development and administration of the grounds. Ms. Hensinger and Director Wyant are recommending that the Commission support the rulemaking promulgation process for the Michigan State Fair as authorized by the Act.

Commissioner Darling asked if these rules would apply to Michigan's county fairs.

Ms. Hensinger responded that PA 361 only governs the rules for the Michigan State Fair.

Director Wyant added that the department does operate under the ethics guidelines issued by MSU Extension and the county fair 4-Hs. He said that the decision on any county fair rule violation is still up to the local county fair board, with assistance from the department. Director Wyant stated that there is no formal rule on show ethics at the Michigan State Fair. He added that of the surrounding states, only Michigan does not have a promulgated rule.

Commissioner Maitland asked how long the process would take. Ms. Hensinger responded that it is a several month process but, hopefully, draft language would be ready to be presented to the Commission in January or February of 1999.

Director Wyant explained that the process involves the Commission passing a resolution for MDA to move forward in the rule promulgating process, then a committee would be appointed to work with MDA on drafting the rules and, finally, it would go to a public hearing. After the public hearing is held, the rules would again be brought before the Commission for final approval.

Commissioner Maitland asked if the rules would apply to the Upper Peninsula State Fair. Ms. Hensinger responded that the U.P. State Fair is covered under a separate Act. Director Wyant added that whatever is developed for the Michigan State Fair could become the model for county fairs, as well as the U.P. State Fair, providing for consistency.

MOTION: COMMISSIONER MAITLAND MOVED THAT THE DEPARTMENT MOVE FORWARD IN THE RULE PROMULGATING PROCESS FOR THE MICHIGAN STATE FAIR EXHIBITORS. SECONDED. MOTION CARRIED UNANIMOUSLY.

Director Wyant commented that he believes overall people felt good about the Michigan State Fair this year. The attendance was good and because of the work by State Fair Manager John Hertel and those involved in the fair in past years the Michigan State Fair is making great progress. He also said that MDA is excited about the recent announcement that a Motor Sports Hall of Fame exhibit will be located at the fairgrounds.

APPROVAL OF ANNUAL REVIEW PROCESS FOR GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES FOR CRANBERRY PRODUCTION – Wayne Whitman, Environmental Stewardship Division

Wayne Whitman of the Environmental Stewardship Division recommended Commission approval to initiate the annual review process for Generally Accepted Agricultural and Management Practices for Cranberry Production and the Generally Accepted Agricultural and Management Practices for Care of Farm Animals. Mr.

Whitman said that no significant changes to the practices are anticipated.

MOTION: COMMISSIONER TATTER MOVED TO APPROVE INITIATION OF THE ANNUAL REVIEW PROCESS FOR GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES FOR CRANBERRY PRODUCTION AND THE ANNUAL REVIEW PROCESS FOR GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES FOR THE CARE OF FARM ANIMALS. SECONDED. MOTION CARRIED UNANIMOUSLY.

ACCOMPLISHMENTS AND ANNUAL UDPATE OF OPEN FILE STATUS FOR RIGHT TO FARM – Wayne Whitman, Environmental Stewardship Division

Wayne Whitman of the Environmental Stewardship Division reviewed the Annual Inventory of Outstanding Right to Farm Complaint Files. He also outlined the 1998 accomplishments of the Right to Farm program.

<u>SLIDE PRESENTATION ON SUSTAINABLE AGRICULTURE – Russ LaRowe, Executive Director of the Michigan Agriculture Stewardship Office</u>

Russ LaRowe, Executive Director of the Michigan Agriculture Stewardship Association (MASA), distributed information explaining the goals and objectives of his organization. Mr. LaRowe introduced MASA President Cindy Dutcher, Vice President Paul Luttenbacher, Treasurer Tom Foltz and Board of Directors in attendance: Dr. Larry Dyer, Cheryl Summer, Greg Mund and Chuck Cornillie. Mr. LaRowe explained that MASA is a statewide, not-for-profit educational organization committed to the development and use of sustainable farming systems. The organization was formed in 1991 and the membership has over 650 individuals. MASA is an organization committed primarily to farmer education. Mr. LaRowe explained that MASA has awarded over 170 grants to farmers to explore innovative production and marketing techniques. MASA's goal is to increase management levels, profitability and environmental stewardship to Michigan's farms. Mr. LaRow said that by meeting these goals, farms would be sustained, especially in light of the declining farm numbers.

Mr. LaRowe added that in 1998 there were six on-farm demonstration projects funded by MDA's Groundwater Stewardship Program. Dr. Kurt Thelen and Jack Knorek of the Environmental Stewardship Division were instrumental in MASA receiving funds for fiscal year 1998. He said that a second grant was received to produce an audio cassette of the Field Crop Ecology Handbook for use by both farmers and consultants. He added that MASA has submitted a proposal requesting additional funding and that request is currently under review by the Pesticide and Plant Pest Management Division.

Mr. LaRowe talked about the model MASA sees for the future or "a new agriculture" in Michigan. He said it would be an agriculture of people who may not have been raised on a farm or may not be interested in managing a farm, but they are interested in the land. MASA is hoping to change the focus of research efforts.

ANNUAL REVIEW/APPROVAL OF GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES FOR MANURE MANAGEMENT AND UTILIZATION – Dr. Maynard Hogberg, MSU Department of Animal Science

Dr. Maynard Hogberg, MSU Department of Animal Science, reviewed the proposed changes and recommended approval of the Generally Accepted Agricultural and Management Practices for Manure Management and Utilization.

Dr. Hogberg distributed copies of the brochure, "Your Guide to Managing Agricultural Wastes," that was a joint effort by NRCS, MDA and MSU. This is the first of two brochures planned that will discuss manure management system planning.

MOTION: COMMISSIONER STAMP MOVED TO APPROVE THE GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES FOR MANURE MANAGEMENT AND UTILIZATION. SECONDED. MOTION CARRIED UNANIMOUSLY.

Director Wyant referred to a letter and resolution recently received from the Mason County Board of

Commissioners asking that the Commission take action in the study of livestock operations and their environmental impact.

Director Wyant also referred to an e-mail received regarding livestock factories. Director Wyant feels that some of the comments made in the e-mail are incorrect and misleading.

Dr. Hogberg commented that he has traveled to many other states and he believes that Michigan has taken a very proactive approach in manure management.

DIRECTOR'S REPORT – Dan Wyant

Bovine Tuberculosis: Dr. Michael Chaddock, State Veterinarian, and Director of the Animal Industry Division, updated the Commission on the bovine tuberculosis situation in northeast Michigan.

Dr. Chaddock said the goal to test all cattle and goats in the northeast five-county area should be reached by April 1999. To date 18,940 animals on 504 farms have been tested. It is estimated that there are approximately 25,000 animals in that area. After completing the testing in the five-county area, testing will begin in the buffer zone, where it is estimated that there are about 7,000 animals. Staff is working with the Michigan Agricultural Statistics Service to continue surveying the area in the buffer zone to determine the number of animals to be tested.

Dr. Chaddock stated that out of the 18,940 animals tested there has been, as previously reported, one confirmed cow in Alpena County. He also said that staff is working with the owner of an infected captive cervidae herd located in Presque Isle County and with the USDA Wildlife Services to fence off 300-acre parcels of the property. Dr. Chaddock said that following this year's fall hunt, depopulation will continue and significant progress should be made by spring.

Dr. Chaddock informed the Commission that the trace back from the positive cow from Alpena County is in its final stages. Staff is continuing to track any possible sales that may have occurred from that herd and, hopefully, within the next couple of weeks, the trace back should be completed. Dr. Chaddock stated the Michigan's suspended free status continues to be in effect. Once all the trace forwards and trace backs are completed and no further confirmed cases have been found, MDA will request from USDA that Michigan's accredited free status be reinstated. He said that the primary goal is withdrawal of Michigan's suspended status.

Dr. Chaddock also informed the Commission that there is a steer currently in the lab that was in the track back of the positive cow and it appears that this animal could be a reactor. The animal from southeast Alcona County was ordered destroyed on October 8, 1998. The animal was then sent to the MSU Animal Health Diagnostic Laboratory where a gross lesion in a lymph node located in the abdominal cavity was found. The sample was sent to the USDA laboratory in Ames, Iowa for culturing and is expected back some time between Thanksgiving and Christmas. The beef operation from where the animal was taken is spread out over four premises, with animals that move back and forth between the premises. This operation is currently under quarantine.

Dr. Chaddock, Director Wyant and State Tuberculosis Eradication Coordinator Robert Bender met recently with representatives of Michigan's Congressional delegation to provide an update on Michigan's bovine tuberculosis situation. Dr. Chaddock distributed copies of a letter sent by Michigan's delegation to Dr. Craig Reed, Administrator of USDA-APHIS. Dr. Chaddock said that Michigan's Congressional delegation supports the designation of the northeast part of lower Michigan rather than the entire state as suspended. He said that a commitment was made by APHIS to perform another risk analysis and also that it will support and focus resources for TB research on Michigan's wild white-tailed deer and captive cervidae. APHIS already has provided a task force of federal veterinarians to work with Michigan on testing cattle and goats in northeast Michigan. Michigan is working with USDA on a program referred to as "split state status," rather than the term "regionalization."

Director Wyant said meetings have been held with the National Milk Producers Federation and the National Beef Cattlemen's Association. He said that both organizations support split state status and would like to participate in a tuberculosis conference in Michigan planned for January 6-7, 1999, at the University Club in East Lansing. Top federal and state researchers also will be invited to participate in the conference. The

Director has asked that the program be an educational seminar. The Commission is invited to participate in the conference.

Dr. Chaddock reported that in early October he attended the U.S. Animal Health Association (USAHA) Meeting held in Minneapolis, Minnesota. He said that he discussed Michigan's situation with the National Assembly of Chief Livestock Health Officials and with the USAHA. Subsequently, a resolution was passed to request APHIS to immediately begin the process of amending the CFR to allow USDA to recognize split state status for bovine tuberculosis.

He said that the department is currently working with the Legislature on legislation to allow MDA to develop and implement statewide scientifically based surveillance programs for reportable animal diseases.

Dr. Chaddock also said that a stakeholders meeting is scheduled for November 25, 1999.

Director Wyant added that USDA has visited Michigan to review its tuberculosis eradication program. USDA offered recommendations, one being the split state status. Director Wyant stated that Dr. Chaddock and his staff have done an incredible amount of work and built a solid foundation for a successful quality program. MDA is optimistic about the eventual outcome.

Commissioner Tatter asked if a suspect animal could be removed and destroyed before depopulating an entire herd if the balance of the herd tested clean.

Dr. Chaddock responded that in a situation when a disease has been eradicated it is best to eliminate any new-case sources as quickly as possible. History and science will clearly demonstrate time and again that is the best source of action. He said that there is a very long incubation period. Dr. Chaddock added that he understands the economics involved to the producers, but his herd he has to view as the entire state and he hopes that the best science available will outweigh any other influences.

<u>Food Safety Public Meetings:</u> Kathy Fedder, Director of the Food and Dairy Division, reported on two public meetings held on food safety. Attendance was good and included many representatives from county health departments, industry and consumers. Consumer information was a primary topic as was the availability of the inspection reports. There have been two public meetings held to date, one in Lansing and the other in Gaylord. A third meeting will be held in Southfield, Michigan, later this week.

Ms. Fedder said that there are many people who have expressed an interest in working on the food safety legislation. One person is Sue Donith, President of Safe Tables Our Priority (STOP). She and a number of others have made excellent suggestions that will be considered by the work group.

Ms. Fedder said that the work group has been reviewing the 1997 FDA Model Food Code for over a year. The group has recommended that MDA adopt the 1997 Food Code for use in grocery store and local health department inspections. Phase II of the process, reviewing Michigan's food safety laws, is beginning now and the goal is to propose revisions to the Legislature. She said that there are many issues to be reviewed, such as license fees, administrative fines, public information and dissemination. Ms. Fedder said that the goal of the new food code is to make sure that Michigan's food safety laws are adequate and provide consumers with the information they need and want. She added that Michigan's food laws have remained essentially the same for the last 25 years.

Director Wyant complimented Kathy Fedder and her staff on the work they have done. He added that he agrees that communication efforts with the public are very important. MDA will continue to work on the public relations aspect of the issue to ensure the public that services will not be diminished. He said that the scoring system used by the department considers many factors.

Director Wyant said that he and Ms. Fedder would be traveling to Washington, D.C. to discuss the food safety issues at the federal level. He said that he currently serves as vice-chair to the NASDA Food Safety Committee.

Director Wyant restated the fact that food safety is the department's number-one priority, not only at the state level, but the national level as well.

(It was agreed to continue the Director's Report after the lunch break.)

<u>UPDATE ON AGRICULTURAL ACTIVITIES IN WETLANDS – Ron Nelson, Michigan Farm Bureau and Attorney David Haywood</u>

Ron Nelson of the Michigan Farm Bureau introduced David Haywood, an attorney representing a case involving DNR and a potential cranberry producer.

Mr. Nelson stated that he has discussed this issue with Director Wyant and is concerned about the effects this case may have on Michigan agriculture. Mr. Nelson stated that one segment of state government is involved in promoting cranberry agriculture and another segment is against it. He said that Mr. Haywood's presentation considers not just the court case, but the implications it brings to Michigan agriculture and the challenges to the Michigan Wetlands Act.

Mr. Haywood provided some background on the court case involved. He stated that he was involved in the passage of the Wetlands Protection Act in 1980. In the Act there is an agricultural exemption that DNR and MDEQ have recognized over 18 years. The Court of Appeals has interpreted the agricultural wetland exemption to allow farming activities to continue for existing activities. A recent ruling contradicts the intent of the exemption and affects many aspects of agriculture. The case at hand involves the owner of a large cranberry bog in Cheboygan County. Prior to his ownership, the area was used for harvesting peat and the owner had purchased the property through a foreclosure. The DNR informed the owner that it had a reversionary interest in the property due to the fact that a portion of the property was a land exchange for the purpose of harvesting peat. If the peat is not harvested in commercial quantities, the State has the right to reenter on that portion of the land that was the exchange. The State granted a permit for continuation of the peat harvesting so the reversionary interest would not become operative. The owner informed the State that he was interested in cranberry production and wanted to remove that right of reversion or right of re-entry. The owner offered another land exchange, land purchase or royalty provision. The DNR has informed the owner that he cannot put cranberries in that area without a permit. The owner applied for a permit and it was denied. This was contested several years ago and has never been heard because of litigation in circuit court. It has been 18 months and the DNR has never set a hearing. An action was filed in circuit court and the Judge agreed that a permit was not necessary. The State filed an appeal and if the appeal is upheld, many farm entities will not be allowed to bring wetlands/farmland back into production if they allow them to go fallow for any period of time. This has a potentially serious affect on farmers.

Commissioner Tatter asked what the next step would be.

Mr. Haywood responded that November 6, 1998 was the last day to file for a leave to the Supreme Court, which was done. However, no settlement was reached and an appeal was filed. The owner believes that the Court of Appeals ruling is not consistent with existing case law. The clear language of the law must be interpreted, not the intent.

Mr. Nelson added that the Michigan Farm Bureau is working on an amendment to the Wetlands Act.

Commissioner Darling asked how MDA should be involved.

Mr. Nelson said that MDA has done an excellent job of working with the industry on the wetlands issue. He agrees that there are many opportunities for cranberry production in this state and the department needs to advance those opportunities.

Director Wyant stated that in 1991 Bill Schuette, who was the MDA Director, and the Commission passed a resolution in support of promoting and advancing the cranberry industry in Michigan. He also added that when Dr. Gordon Guyer was MDA director a joint Memorandum of Understanding (MOU) was signed between MDEQ and MDA regarding the establishment of cranberry production as it would relate to wetlands. However, because of this court case, MDA has received a letter from the MDEQ Assistant Attorney General stating that the MOU was intended to be prospective and, therefore, is not in effect in this particular case.

Director Wyant asked Mr. Haywood why this case is unique to case law precedent?

Mr. Haywood responded that he believes it is the project's magnitude and scope.

Commissioner Tatter believes that the intent of the MOU needs to be resolved. He said the MDA director and Commission all signed the resolution and the intent has not changed and is very clear.

Director Wyant stated that he would be meeting with Russ Harding, Director of the Michigan Department of Environmental Quality, to discuss the issue.

FORMAL CERTIFICATION OF REGULATION 523, DRY EDIBLE BEANS – Kenneth Rauscher, Director of the Pesticide and Plant Pest Management Division

Kenneth Rauscher, Director of the Pesticide and Plant Pest Management Division, recommended that the Commission approve the formal certification of Regulation 523, Dry Edible Beans. Mr. Rauscher briefly reviewed the regulation's major provisions.

MOTION: COMMISSIONER STAMP MOVED APPROVAL OF THE FORMAL CERTIFICATION OF REGULATION 523, DRY EDIBLE BEANS, PENDING APPROVAL BY THE JOINT COMMITTEE ON ADMINISTRATIVE RULES. SECONDED. MOTION CARRIED UNANIMOUSLY.

PUBLIC COMMENT

Albert Almy, Michigan Farm Bureau (MFB) distributed copies of a revised Michigan Farm Bureau organizational chart. He introduced Tim Goodrich, the new manager of the State Governmental Affairs Department responsible for the staff, strategy and implementation of efforts in the State Legislature and State government agencies. Sara Block has been hired as the National Associate Legislative Counsel. Bob Boehm will serve as the new manager of the Commodities and Marketing Department. Ron Nelson will continue in his position as the liaison between the MFB and MDA.

Director Wyant expressed his appreciation for the fine working relationship MDA has experienced over the years with the Michigan Farm Bureau and, in particular, Ron Nelson.

RECESS

The meeting recessed at 1:04 p.m.

Commissioner Skogman left the meeting in order to meet return flight schedules to Escanaba.

RECONVENE

The meeting reconvened at 1:50 p.m.

DIRECTOR'S REPORT (continued)

Agricultural Marketing and Bargaining Board (AMBB): David Charney, Agricultural Marketing and Bargaining Board Administrator, informed the Commission that the AMBB processing apple marketing period for 1998 began September 20, 1998. As of September 20, 1998, there were four processors that had not reached agreement with the growers' representative, MACMA. Therefore, the process was started to implement binding arbitration per the law, administrative rules and AMBB policies. One of the four processors, Comstock-Michigan Fruit Company, immediately entered into an agreement with MACMA, leaving the three others to be arbitrated. Those processors are New Era Canning Company, Mason County Fruit Packers Company and Cherry Growers, Inc.

Mr. Charney stated that New Era Canning was scheduled to participate in an arbitration hearing on October 15, 1998, but agreement was reached with MACMA prior to the hearing. Mason County Fruit Packers participated in an arbitration hearing on October 19, 1998, and later that week the arbitrator ruled that he would support the MACMA position of \$9.00 per hundredweight for Spies and Jonathans, \$8.00 per hundredweight for Ida Reds and Goldens, and \$7.75 per hundredweight for other hard varieties. One point of contention, however, was whether Empire apples are considered to be a hard or soft variety of apples. The arbitrator ruled that Empires

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are hard apples.

Mr. Charney also informed the Commission that MDA was served with a Temporary Restraining Order (TRO) to stop the arbitration process with Cherry Growers, Inc. The TRO was valid for 14 days and expired on November 3, 1998. On November 4, 1998, a new arbitration notice was prepared and mailed to all parties, but due to a problem with the mailing by the arbitrator, the hearing could not be held on November 11, 1998, and was rescheduled for November 23, 1998.

He also reported that last week a complaint was received from MACMA that New Era Canning was not abiding to its agreement and, therefore, MACMA was filing an Unfair Practices Complaint against the company. The allegation is that New Era Canning is not purchasing apples from MACMA members.

Director Wyant stated that the Commission would be kept informed on these issues.

<u>Chinese Exports of Apple Juice Concentrate</u>: Dale Sherwin, Director of Agriculture Policy, distributed copies of Governor Engler's October 20, 1998, letter to President Clinton regarding the Chinese apple juice concentrate issue. In the letter, the Governor requested that the President direct the International Trade Commission (ITC) to investigate the apple juice concentrate issue. Mr. Sherwin said that a Section 201 investigation would not be requested, but instead a Section 406 investigation was being requested because it pertains specifically to Communist countries.

Mr. Sherwin said that the Michigan Apple Committee supports this action and a meeting has been scheduled for November 23, 1998, with the Michigan apple industry to discuss the situation. Mr. Sherwin said that the Michigan Congressional delegation has received copies of Governor Engler's letter.

Director Wyant stated that he looks forward to the November 23 meeting with the industry. He feels it is important that Michigan be in sync with U.S. Apple, Inc. which would like to pursue this issue. U.S. Apple has hired a consultant and a law firm to study the sections of the ITC act to determine which would be the most effective.

Commissioner Tatter referred to the November 1998 Director's Report, page 4, Animal Disease Surveillance. The report states that the Laboratory Division is involved in surveillance of swine herds for detecting and eradicating trichinella in Michigan swine. Commissioner Tatter asked for a brief history on this situation.

Director Wyant responded that a task force headed by Dr. Larry Granger has been formed to prove that Michigan does not have a trichinella problem. Dr. Granger has been assembling the information and data.

Director Wyant requested the Commission consider some of the issues facing the department in the year ahead. He said he would appreciate comments on what direction the Commission feels the department should be heading.

Director Wyant left the meeting at 2:15 p.m. to attend a House Appropriations Committee meeting.

PUBLIC COMMENT

Bob Baldwin, Michigan Aquaculture Association, said that he was appearing before the Commission today to answer any questions it may have about Michigan aquaculture and Whirling Disease. He is concerned about some of the media coverage of aquaculture and Whirling Disease causing a misconception. Once an inaccurate report is given, it is difficult to try to get the accurate information out.

Commissioner Tatter asked what MDA could do to help the aquaculture industry and the problem it is facing with Whirling Disease.

Mr. Baldwin is upset with DNR and its attitude that farmers do not care about these diseases. DNR never

addressed the issue for the many years aquaculture was part of that organization.

Mr. Baldwin asks that MDA continue on the pathway it is on now of working with DNR, MSU, and other state's veterinarians. DNR is thinking of expanding its testing of public waters and river systems to see how widespread the disease is. MDA should support this idea. Another concern is where DNR will send samples for testing. He would like to have the testing done at MSU.

Mr. Baldwin stated that the aquaculture industry does not fear this parasite. He said, of course, industry would like to know where it came from, what can be done to break the cycle, what is the life cycle, what is happening when fish are moved from farm to farm or state to state, and what if any health effect does it have on humans and general aquaculture practices.

Commissioner Darling expressed the Commission's appreciation for Mr. Baldwin appearing at today's meeting. He said that the Commission does support the aquaculture industry.

Commissioner Tatter stated that he feels that MDA, DNR and MSU should all support the same laboratory because it would be much more cost-efficient and reliable. He said that he is sure that Governor Engler would be open to hearing about any proposal that is more cost-efficient.

1999 COMMISSION OF AGRICULTURE MEETING SCHEDULE

MOTION: COMMISSIONER TATTER MOVED TO APPROVE THE 1999 COMMISSION OF AGRICULTURE MEETING SCHEDULE AS PRESENTED. SECONDED.

DISCUSSION: Commissioner Stamp stated because the Commission did not have a meeting in October 1998 it caused budgeting problems for one of the commodity organizations. She asked if it is possible to consider those grant requests in September.

Mr. Charney stated that it would be possible only to the extent that the Legislature has passed the MDA budget at that time. He agreed that if at all possible these items would be considered at the September meeting and, of course, the October meeting can be held if necessary.

Commissioner Tatter asked if it was possible for the Commission to vote by telephone on certain issues. Ron Zellar, Assistant Attorney General, stated that in an emergency situation the Commission would have the authority to do a telephone vote providing that public notice has been issued 18 hours in advance of the vote.

MOTION CARRIED UNANIMOUSLY.

ADJOURN

The meeting adjourned at 2:45 p.m.

ATTACHMENTS

The following documentation is on file in the office of the Commission of Agriculture and is available upon request:

Attachment A Commission of Agriculture Meeting Minutes, September 9, 1998

Attachment B Editorial from "Commemorative Bucks of Michigan"

Attachment C November 1998 Legislative Report

Attachment D Election Results

Attachment E "Grown in Michigan Matching Grant Recommendations for FY99"

Attachment F Generally Accepted Agricultural and Management Practices for Cranberry Production

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Attachment G Accomplishment and Annual Update of Open File Status for Right to Farm

Attachment H Michigan Agriculture Stewardship Association Packet

Attachment I Generally Accepted Agricultural and Management Practices for Manure Management and Utilization

Attachment J November 1998 Director's Report

Attachment K Regulation 523, Dry Edible Beans

Attachment L Michigan Farm Bureau Organizational Chart, dated 9-23-98

Attachment M 1999 Commission of Agriculture Meeting Schedule

(The Commission participated in the Michigan Harvest Gathering and a dinner/reception with the Michigan Agri-Business Association during the evening of November 9, 1998.)

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